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Illinois Manufacturers' Association Response to Stakeholder Questions for the 2025 Illinois Resource Adequacy Study
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The Illinois Manufacturers' Association (IMA) appreciates the opportunity to provide input on this resource adequacy (RA) study. Ensuring Illinois' reliable and cost-effective future is at a critical juncture. Founded in 1893, the IMA is the nation's oldest, and one of the largest, state manufacturing trade associations in the United States. The IMA represents nearly 4,000 member companies and facilities across the state. Manufacturing employs 650,000 workers directly and approximately 14 percent of the state's total economy (as measured by GDP). The Illinois manufacturing industry generates an annual statewide economic impact of between $580 billion and $611 billion. The volume of economic activity is associated with between 1,681,284 and 1,771,928 jobs and between $142 billion and $150 billion in labor income for Illinois residents.

In addition to the statutory goals, the RA study should consider industrial competitiveness and economic growth. Manufacturers in Illinois rely on affordable, reliable energy to operate efficiently and remain globally competitive. Evaluation metrics should include system cost impacts (wholesale and delivered prices), economic impacts on industrial sectors, and metrics assessing cost-effectiveness of proposed reliability solutions. These are critical to maintaining Illinois' position as a top manufacturing state. The IMA supports an "all-of-the-above" energy strategy as the most practical and reliable path for Illinois to transition to clean energy while avoiding significant capacity shortfalls and financial burdens. With this context in mind, the IMA provides the following responses to the stakeholder questions.

Question 1: What additional goals, objectives, or evaluation metrics should be considered, either as part of this study process or future resource adequacy study efforts?

IMA Response: In addition to the statutory goals outlined in Section 9.15(o), the RA Study should explicitly evaluate the economic implications of reliability decisions for large energy users, including manufacturers. A primary objective should be ensuring that Illinois' manufacturing competitiveness is not inadvertently compromised by resource adequacy strategies that prioritize emissions or technology mandates over dispatchability, reliability and affordability. An "all-of-the-above" approach to transitioning the state's energy landscape can help to mitigate these concerns.

Question 2: Which variables are the highest priority to explore? Are there important missing policies or drivers?

IMA Response: The highest priority variables include demand growth from electrification and new industrial development (e.g. data center development, quantum computing and increased

push towards electrification), interconnection delays, and the expected closure of baseload generation. Additional drivers for consideration:

- Labor, supply chain, and permitting bottlenecks;
- Siting and permitting lead times for transmission and firm generation;
- Timeline risks in renewable/storage buildouts;
- Modeling how reliability investments (firm dispatchable capacity) can mitigate long-run cost escalation and ensure affordability.

Policies such as CEJA's fossil retirement schedule should be clearly reflected in the base and scenario assumptions as the mandates it imposes have a significant impact on generation and capacity thus driving many of these factors.

Question 3: Which drivers are most critical to explore and why?
IMA Response:

1. **Thermal retirements** and **demand growth** are the most critical drivers due to their immediate and sustained effects on grid reliability and resource adequacy. Maintaining co-generation facilities.
2. **Extreme weather** must be modeled in probabilistic form (e.g., multi-day cold snaps and peak summer demand) due to rising reliability risks.
3. **Transmission delays** are a key constraint on delivering new generation.

Out-of-state reliance should be evaluated for risk exposure if neighboring states face parallel resource shortages as this is a likely scenario.

Question 4: Are there known or expected developments in federal or state policy that should be integrated into scenario development?
IMA Response: Yes. Key developments include:

- CEJA retirement schedules and implementation guidance;
- Potential ICC initiatives on tariff design for large flexible loads and economic development riders.
- The federal government is clawing back clean energy funding and eliminating key incentives that will negatively impact renewable projects.

Scenarios should incorporate both successful implementation and partial/failure contingencies of these policies.

Question 5: How should cost implications or other findings beyond reliability be presented?
IMA Response: RA Study results should include side-by-side comparisons of:

- Levelized cost of each reliability option;

- Projected industrial, commercial, and residential rate impacts;

Policy recommendations should include cost-benefit visuals (e.g., supply curves) that clearly demonstrate tradeoffs between cost, carbon reduction, and most importantly, reliability.

Question 6: What blind spots or gaps might be overlooked? How could they be addressed?
IMA Response: Blind spots include:

- Underestimation of self-generation and industrial demand response potential (behind the meter);
- Failure to account for siting and permitting risks associated with bringing new capacity to the grid;
- Limited transparency in interconnection queue growth and attrition.

Solutions include:

- High-resolution modeling of industrial load centers;
- Inclusion of realistic deployment curves and project failure rates;
- Stakeholder-informed parameters for load ramping and capacity value.

Question 7: Peer jurisdiction scenario approaches for consideration?
IMA Response: Illinois should draw from Texas' forecasting based on interconnection maturity, this example demonstrates the value of structured, probabilistic, and transparent forecasting practices. Additionally, California, New York, and Minnesota have all paused or extended the timeline for the retirement of natural gas generation assets as they work to bridge the capacity and reliability gap during their clean energy transitions.
Ways this can be accomplished in Illinois:

- Incorporate multi-scenario planning based on signed agreements, development milestones, and interconnection status;
- Align forecasting assumptions across RA and IRP processes;
- Pause or extend timeline for the retirement of natural gas assets.

Question 8: Recommended data sources, assumptions, and studies?
IMA Response: Recommended sources:

- PJM and MISO queue and IRP data;
- ICC grid reliability reports;

With the following Preferred assumptions:

- Conservative capacity accreditation for renewables;

- Historical interconnection approval timelines;.

Question 9: Transmission constraints or projects to consider?
IMA Response: The study should account for realistic in-service dates and risk-adjusted capacity benefits.
Downstate Illinois requires special attention due to current import constraints and limited in-zone firm capacity. Scenario modeling should include:

- In-zone generation vs. import-only strategies;
- Impacts of cross-seam coordination delays (MISO-PJM);
- Cost allocation effects of long-distance transmission solutions drawing from other states or distant parts of Illinois.

Question 10: Generation assumptions (buildout/retirement)?
IMA Response: The RA Study should adopt realistic and policy-informed assumptions regarding both generation buildout and retirements. The base case should incorporate retirements required under CEJA, including timelines for fossil fuel phase-outs, while scenario modeling should explore alternate pathways where existing fossil plants remain online longer due to system reliability needs or are retrofitted to operate as peaker units. Interconnection queue data should be evaluated with attrition rates in mind, reflecting the reality that many proposed projects will not come to fruition on schedule or at all. In addition, lead times for different technologies—particularly dispatchable resources—should be differentiated to account for the permitting, financing, and construction timelines that impact deployment. To ensure consistency and planning integrity, the base case should align with assumptions used by MISO and PJM in their own resource adequacy planning, while scenario cases should test a range of buildout outcomes under optimistic, pessimistic, and permit-constrained conditions.

Question 11: Load forecast assumptions?
IMA Response: IMA recommends that the base case incorporate utility and RTO load forecasts validated against historical accuracy, ensuring they reflect both prior forecast performance and observable system changes. Scenario cases should examine higher-load growth trajectories driven by industrial expansion, increased electrification, and broad EV fleet adoption.

Question 12: Other data inputs, policies, or assumptions to consider?
IMA Response: The study should also consider:

- Private sector contributions to grid reliability via behind-the-meter generation and microgrids;
- Potential impacts of permitting reform (or lack thereof);
- Interactions between resource adequacy strategies and rate design (e.g., cost causation and recovery fairness);

- Opportunities for state-supported financing (e.g., Illinois Finance Authority loans for reliability-enhancing technologies).

In summary, resource adequacy planning should emphasize outcomes—affordable, dispatchable power at peak—rather than prescriptive technologies or arbitrary emissions reductions timelines. A flexible, fuel-neutral approach that supports innovation and customer investment is essential to meet Illinois' dual goals of economic growth and overall emissions reductions.